Montana Board of Oil and Gas Conservation Environmental Assessment

Operator: <u>EOG Resources, Inc.</u> Well Name/Number: Stateline 12-2932H Location: NW NW Section 29 T28N R59E County: Roosevelt, MT; Field (or Wildcat) Wildcat **Air Quality** (possible concerns) Long drilling time: No, 30 to 40 days drilling time. Unusually deep drilling (high horsepower rig): No, triple derrick rig to drill a single lateral Bakken Formation horizontal well test, 20,203'MD/10,364'TVD. Possible H2S gas production: Slight chance of H2S. In/near Class I air quality area: No Class I air quality area. Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under rule 75-<u>2-211.</u> Mitigation: _X Air quality permit (AQB review) X Gas plants/pipelines available for sour gas __ Special equipment/procedures requirements __ Other: Comments: If there are existing pipelines for natural gas in the area then gas must be tied into a gathering system or if there isn't a gathering system nearby, associated gas can be flared under Board Rule 36.22.1220. **Water Quality** (possible concerns) Salt/oil based mud: Yes to intermediate casing string hole to be drilled with oil based invert drilling fluids. Horizontal lateral will be drilled with oil based invert drilling fluid. Surface casing hole will be drilled with freshwater and freshwater mud. High water table: No high water table anticipated at this location. Surface drainage leads to live water: No, closest drainage is an Red Bank Creek, an ephemeral drainage, about ¾ of a mile to the east from this location. Water well contamination: No, closest water wells are about ½ of a mile to the southwest, about 5/8 of a mile to the southeast, about ¾ of a mile to the southeast, about ¾ of a mile to the northeast, about ¾ of a mile to the south about 7/8 of a mile to the east, about 1 mile to the southeast and further from this location. Surface casing will be drilled with freshwater, casing set to 2068' and cemented back to surface. Porous/permeable soils: No, sandy silty clay soils. Class I stream drainage No, Class I stream drainages in the area of review. Mitigation: X Lined reserve pit X Adequate surface casing __ Berms/dykes, re-routed drainage <u>X</u> Closed mud system

____Other: _____Comments: 1639' surface casing well below freshwater zones in adjacent water wells, also, covering Base of the Fox Hills aquifer. Surface hole will be drilled with freshwater and freshwater muds to 2068'. Steel surface casing will be run and cemented to surface from 1639'.

__ Off-site disposal of solids/liquids (in approved facility)

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings: None anticipated, crossing only ephemeral drainages.

High erosion potential: <u>Possible high erosion</u>. <u>Location will require a moderate cut, up to 21.7' and moderate fill, up to 14.8', required.</u>

Loss of soil productivity: <u>Slight, location to be restored after drilling well if well is nonproductive</u>. <u>If</u> productive unused portion of wellsite will be reclaimed.

Unusually large wellsite: No, location is a large wellsite, 330'X450' in size.

Damage to improvements: Slight, surface use appears to be cultivated land.

Conflict with existing land use/values: Slight

Mitigation

- __ Avoid improvements (topographic tolerance)
- __ Exception location requested
- X Stockpile topsoil
- __ Stream Crossing Permit (other agency review)
- X Reclaim unused part of wellsite if productive
- __ Special construction methods to enhance reclamation
- X Other: Requires DEQ General Permit for Storm Water Discharge Associated with Construction Activity, under ARM 17.30.1102(28).

Comments: Access will be over existing state highway, #2 and existing county gravel road, Haugen Road.

About 296' of new access road will be built off the existing county road into this location. Oil based drilling fluids will be recycled. Freshwater surface hole cuttings will be buried on site. Oil based drill cuttings will be buried in the lined cuttings pit. Completion pit fluids will be hauled to a permitted Class II saltwater disposal. Cuttings pit will be backfilled when dry. No concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: Nearest residences are about ¾ of a mile to the east southeast from this location. The town of Bainville, Montana is about 4 miles to the west southwest from this location.

Possibility of H2S: <u>Slight chance of H2S from Mississippian Formations.</u>

Size of rig/length of drilling time: Triple drilling rig 30 to 40 days drilling time.

Mitigation:

- X Proper BOP equipment
- __ Topographic sound barriers
- __ H2S contingency and/or evacuation plan
- __ Special equipment/procedures requirements

Other:

Comments: <u>Adequate surface casing cemented to surface with working BOP stack should mitigate any problems.</u> Noise should not be a problems, sufficient distance from residence to rig should mitigate this.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): None identified in the area.

Proximity to recreation sites: None identified in the area.

Creation of new access to wildlife habitat: None

Conflict with game range/refuge management: None

Threatened or endangered Species: Threatened or endangered species listed in Roosevelt county by

USFW service are Pallid Sturgeon, Piping Plover, Interior Lease Tern and Whooping Crane. Candidate
species is the Sprague's Pipit. NH Tracker website list one(1) species of concern: Whooping Crane. NH
Tracker website lists two (2) potential species of concern: Chimney Swift and the Tennessee Warblers.
Mitigation:
Avoidance (topographic tolerance/exception)
Other agency review (DFWP, federal agencies, DSL)
Screening/fencing of pits, drillsite
Other:
Comments: Surface is cultivated private land. No live water nearby. There maybe species of
concern that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to
what he would like done, if a species of concern is discovered at this location. The Board of Oil & Gas has
no jurisdiction over private surface lands.
TI'-4'I/CI/I/D-I4-I'I
Historical/Cultural/Paleontological (possible concerns)
Proximity to known sites None identified.
Mitigation
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avoidance (topographic tolerance, location exception)
other agency review (SHPO, DSL, federal agencies) Other:
Comments Surface is cultivated private land. There maybe possible
historical/cultural/paleontological sites that maybe impacted by this wellsite. We ask the operator to
consult with the surface owner as to his desires to preserve these sites or not, if they are found during construction of the wellsite. The Board of Oil & Gas has no jurisdiction over private surface lands.
construction of the wensite. The Board of On & Gas has no jurisdiction over private surface failus.
Social/Economic
(possible concerns)
Substantial effect on tax base
Create demand for new governmental services
Population increase or relocation
Comments: Wildcat Bakken Formation, single lateral horizontal oil well test. No concerns.
Remarks or Special Concerns for this site
Drill a wildcat single lateral Bakken Formation horizontal well test, 20,203'MD/10,364'TVD.

Summary: Evaluation of Impacts and Cumulative effects
No long term impacts expected, only some short term impacts will occur.
I conclude that the approval of the subject Notice of Intent to Drill (does/ <u>does not</u>) constitute a major
action of state government significantly affecting the quality of the human environment, and (does/ <u>does</u> <u>not</u>) require the preparation of an environmental impact statement.
Prepared by (BOGC): /s/Steven Sasaki

title:) Chief Field Inspector
Date: April 6, 2012
Other Persons Contacted:
Since I disons contacted.
Name and Agency)
Montana Bureau of Mines and Geology, Groundwater Information Center
website.
subject discussed)
Water wells in Roosevelt County date)
April 6, 2012
<u> 1911 0, 2012</u>
US Fish and Wildlife, Region 6 website
Name and Agency)
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA
COUNTIES, Roosevelt County
subject discussed)
April 6, 2012
date)
Montana Natural Heritage Program Website (FWP)
Name and Agency)
Heritage State Rank= S1, S2, S3, T28N R59E
(subject discussed)
April 6, 2012
date)
f location was inspected before permit approval:
Inspection date:
Inspector:
Others present during inspection: